

Telefónica Movistar Argentina launches Managed Cloud in six months with Red Hat Consulting



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Enterprise customers of the Argentinian subsidiary of Telefónica were demanding improved flexibility, control, and cost efficiency. Threatened by eroding competitive advantage on datacenter and IT services, the telecommunications company needed to respond rapidly. Working with Red Hat Consulting, Telefónica Movistar Argentina implemented Managed Cloud built on Red Hat technologies. Red Hat Consulting brought experience along with a direct channel to other organizations within Red Hat, such as Red Hat Support and Products and Technologies. It also helped Telefónica rapidly develop the skills needed for this challenging project. The resulting open and efficient platform allows the telco to offer a self-service portal with self-management capabilities and has cut both provisioning and IT delivery times.



Telecommunications

15,000 employees

€2.315M revenue in 2018

Benefits

- Hastened value delivery with Red Hat Consulting's knowledge and experience
- Accelerated deployment of cloud-based workloads by 75%
- Reduced the time to deliver IT services by 65%

"Our Red Hat solution accelerated the deployment of cloud-based workloads by 75%, automating activities that used to take days of manual effort."

Ignacio Vago Anaya

Operational Marketing Director,
Telefónica Movistar Argentina



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“Most customers use Managed Cloud as the infrastructure that runs their business. Critical services are hosted on the platform, including Argentina’s 911 emergency system.”

Ignacio Vago Anaya
Operational Marketing Director,
Telefónica Movistar Argentina

Telefónica Movistar Argentina

Telefónica Movistar Argentina is a subsidiary of Telefónica, one of the largest telecommunications operators in the world. It’s business-to-business (B2B) unit helps organizations across all industries navigate their digital transformation journeys.

Since 2001, Telefónica Movistar Argentina has offered business customers datacenter services in addition to traditional voice and data solutions. As an innovator, it has added both its own solutions and colocation services over the years. Today its datacenter services encompass digital solutions for cloud, security, big data, and the Internet of Things (IoT).

Telefónica Movistar Argentina’s datacenter services rely on a large variety of technologies, including storage, backup, firewall, and network solutions. Its inelastic infrastructure portfolio was based entirely on costly, inflexible, proprietary solutions. They operate a hybrid environment that consists of bare-metal, virtual, and cloud technologies that are supported by a different partner, making for a complex and difficult to manage environment that is resource-intensive and requires diverse skills. This complex ecosystem needed dedicated skills and many days to deliver customers’ needs for self-management capabilities.

Managing a heterogeneous datacenter

With clients demanding self-management capabilities, Telefónica Movistar Argentina began looking to adopt an open source solution. Open source would make it easier to deliver capabilities across its heterogeneous environment and, at the same time, accelerate provisioning. It would also allow the company to avoid vendor lock-in.

Telefónica Movistar Argentina was already a Red Hat customer, and Red Hat technologies were helping various parts of its business improve efficiency and reduce deployment times.

The B2B segment began exploring whether Red Hat could help with its quest to offer self-management capabilities and simplify deployments in its heterogeneous datacenter. “Red Hat’s roadmap is continuing its focus on managing physical infrastructures,” said Ignacio Vago Anaya, Operational Marketing Director at Telefónica Argentina. “We saw that Red Hat technologies could manage cloud application instances and containers alongside virtual and cloud infrastructure resources.”

Red Hat Consulting helped Telefónica Movistar Argentina rapidly gain the skills needed for this challenging project. “Working with Red Hat Consulting helped us to bring the project experience from other implementations as well as a direct channel to other organizations within Red Hat, such as Red Hat Support and Products and Technologies.”

Self-management in the cloud

Telefónica Movistar Argentina joined the Red Hat Certified Cloud and Service Provider (CCSP) program. Red Hat Consulting provided assistance through that program, starting with a series of discovery sessions to open up the discussion. The sessions allowed the Telefónica Movistar Argentina and Red Hat teams to work together to collate requirements across business areas and define an implementation plan.

The teams next worked together to deploy and integrate an array of Red Hat products on 37 blade servers, configuring separate environments for development, quality control, and production. Red Hat Consulting’s expert-level knowledge transfer sessions and demonstrations extended Telefónica Movistar Argentina’s pre-existing Red Hat product familiarity. Red Hat training courses accelerated the onboarding of new personnel.

Managed Cloud offers managed services and a self-service portal for both cloud-native and legacy workloads. Specifically, the Red Hat products it is based on:

- Offer unified management, providing consistent full life-cycle management across a wide variety of services, initially virtual machines and more recently cloud-native environments.
- Provide a self-service portal, web catalog, and automated provisioning, accelerating service delivery.
- Run supplementary applications, such as databases.
- Centralize identity management, providing users with appropriate privileges based on the agreed types of service.

Building the future of telecommunications services

Launched within 6 months

The assistance from Red Hat Consulting, which was provided through the Red Hat CCSP program, was crucial to the telco launching its Managed Cloud offering within 6 months.

Red Hat Consulting offered more than just technical expertise. They took a big picture view of Telefónica Movistar Argentina, analyzing business challenges and helping the company overcome them with comprehensive, cost-effective solutions.

By combining open tools and standards, industry insight, organizational knowledge, and proven methodologies, Red Hat Consulting helped Telefónica Movistar Argentina build Managed Cloud as a robust and reliable modern enterprise technology platform. It also helped the service provider quickly build enterprise-wide capabilities and rapidly achieve value.

75% faster deployment

The standard service catalog and automation engine means Telefónica Movistar Argentina can now deploy applications in minutes rather than days. “Our Red Hat solution has accelerated the deployment of cloud-based workloads by 75%,” said Anaya. “It automates activities that used to take days of manual effort.”

Red Hat technologies not only automate routine tasks within Managed Cloud, but also allow customers to self-manage the creation of virtual machines, allocation of IP addresses, implementation of backup policies, configuration of safety rules, and more. The predictable and iterative process records every change in the configuration management database (CMDB) according to validated security standards.

Furthermore, the open integration offered by Red Hat technologies allows legacy and cloud-native services to coexist. They provide a consistent set of management capabilities across virtualization platforms, public and private cloud platforms, and software-defined networking environments.

Reducing time-to-deliver by 65%

Built on Red Hat technologies, Managed Cloud also provides the self-service capabilities Telefónica Movistar Argentina’s B2B customers were looking for. Allowing customers to order and manage online has cut IT services delivery times by 65%. The easy-to-manage, self-service portal allows customers to access their services, track requests, manage their accounts, and more.

About Red Hat

Red Hat is the world's leading provider of enterprise open source software solutions, using a community-powered approach to deliver reliable and high-performing Linux, hybrid cloud, container, and Kubernetes technologies. Red Hat helps customers integrate new and existing IT applications, develop cloud-native applications, standardize on our industry-leading operating system, and automate, secure, and manage complex environments. Award-winning support, training, and consulting services make Red Hat a trusted adviser to the Fortune 500. As a strategic partner to cloud providers, system integrators, application vendors, customers, and open source communities, Red Hat can help organizations prepare for the digital future.

With faster, more coordinated, and more reliable deployments, Telefónica Movistar Argentina's IT specialists have been able to move away from activities that provide limited added value and devote themselves to innovation. "Thanks to Red Hat, our IT specialists have moved away from time-consuming manual tasks to focus on innovation activities that generate added value for our customers," said Anaya.

As such, the development of Managed Cloud has helped Telefónica Movistar Argentina maintain its position as an innovator and industry leader. The company regularly advises and offers insights to industry peers that have adopted some of its tools and architecture.

Expanding the use of enterprise-grade open source

With Red Hat Consulting at its side, Telefónica Movistar Argentina has built an extremely robust and reliable managed cloud service. Its Managed Cloud meets the needs of customers requiring the highest of service levels or customers with special demands, including banks, financial institutions, and public administrations. "Argentina's 911 emergency systems considers Managed Cloud a critical service with a large-scale impact," said Anaya.

Moreover, the service levels combined with an enhanced customer experience has allowed Telefónica Movistar Argentina to enter new markets. Today, revenues from the Managed Cloud solution account for 70% of Telefónica Movistar Argentina revenues from virtualization platforms.

The success of this solution has only strengthened Telefónica Movistar Argentina's belief that open source is extremely important for telecommunications innovation. By eliminating risk of vendor lock-in, open source helps companies address the challenges they face in a world increasingly dependent on technology.

Telefónica Movistar Argentina plans to expand its use of open source technologies in the future. Building on the success of Managed Cloud, Telefónica Movistar Argentina hopes to offer an enterprise-grade open source container environment based on Red Hat OpenShift® Container Platform. The new service will support the growing number of customers looking to adopt microservices.

About Telefónica Movistar Argentina

Telefónica Movistar Argentina is the Argentinian subsidiary of Telefónica, one of the largest telephone operators in the world by market capitalization and number of customers. It operates in 3 continents and provides services in 25 countries with over 300 million accesses around the world. The B2B segment aims to help companies and SMEs navigate their digital transformation journey through comprehensive, innovative, and competitive support, offering digital solutions focused on the cloud, security, big data, and IoT, in addition to traditional voice and data solutions.



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